

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA**

ANNUAL FINANCIAL REPORT

**AS OF AND FOR THE
YEAR ENDED DECEMBER 31, 2008**



East Feliciana Parish Courthouse
Clinton, Louisiana
Built in 1825

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/12/09

2009 AUG -4 PM 3:05

RECEIVED
LEGISLATIVE AUDITOR

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report.....	1
 BASIC FINANCIAL STATEMENTS	
Required Supplemental Information (Part 1 of 2)	
Managements' Discussion and Analysis.....	4
Government-Wide Financial Statements	
Statement of Net Assets.....	11
Statement of Activities.....	12
Fund Financial Statements	
Governmental Funds:	
Balance Sheet.....	15
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.....	16
Statement of Revenues, Expenditures and Changes in Fund Balances.....	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities.....	19
Fiduciary Funds:	
Statement of Fiduciary Net Assets.....	20
Notes to the Financial Statements	
Index.....	22
Notes.....	23
Required Supplemental Information (Part 2 of 2)	
Budgetary Comparison Schedule – General Fund.....	38
Budgetary Comparison Schedule – Roads & Bridges Fund.....	39
Budgetary Comparison Schedule – Solid Waste Fund.....	40

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

TABLE OF CONTENTS

	<u>Page No.</u>
COMBINING AND INDIVIDUAL FUND STATEMENTS	
Special Revenue Funds:	
Combining Balance Sheet - Non-Major Funds.....	42
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Funds.....	43
SUPPLEMENTARY SCHEDULES AND INFORMATION	
Fiduciary Funds/Agency Funds	
Schedule of Changes in Deposits and Other Payables.....	45
Schedule of Compensation Paid to Governing Members.....	46
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	47
Schedule of Findings and Questioned Costs.....	49
Schedule of Prior Year Findings.....	51
Management's Corrective Action Plan.....	52

MARY SUE STAGES, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

.....
3121 Van Buren Street, Suite A
P. O. Box 30
Baker, Louisiana 70704-0030
Phone (225) 775-4982 * Fax (225) 775-4912
mstages@butlercpa.brcxmail.com

Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT AUDITORS' REPORT

Ms. Judith Kelly, Parish Manager
and the Members of the Police Jury
East Feliciana Parish Police Jury
P. O. Box 427
Clinton, Louisiana 70722

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the East Feliciana Parish Police Jury as of and for the year ended December 31, 2008, which collectively comprise the East Feliciana Parish Police Jury's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the East Feliciana Parish Police Jury's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.


We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the East Feliciana Parish Police Jury as of December 31, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplemental information, as listed in the table of contents, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. This required supplemental information is the responsibility of the East Feliciana Parish Police Jury's management. It has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2009, on our consideration of the East Feliciana Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the East Feliciana Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Mary Sue Stages, CPA". The signature is written in a cursive, flowing style.

Mary Sue Stages, CPA
A Professional Accounting Corporation
July 28, 2009

REQUIRED SUPPLEMENTAL INFORMATION
(PART 1 OF 2)

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENTS' DISCUSSION & ANALYSIS
DECEMBER 31, 2008**

As management of the East Feliciana Parish Police Jury (hereinafter referred to as the Police Jury), we offer readers of the East Feliciana Parish Police Jury's financial statements this narrative overview and analysis of the financial activities of the East Feliciana Parish Police Jury for the fiscal year ended December 31, 2008. The emphasis of discussions about these statements will be on current year data.

This discussion and analysis of the East Feliciana Parish Police Jury's financial statements provide an overview of its financial activities for the year.

Financial Highlights

- The assets of the Police Jury exceeded its liabilities at the close of the most recent year by \$6,944,708 (net assets).
- The Police Jury was able to secure \$2,735,780 in grants and other capital/operating contributions to assist in operations.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Police Jury's basic financial statements. The Police Jury's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Police Jury's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Police Jury that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Police Jury include general

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENTS' DISCUSSION & ANALYSIS
DECEMBER 31, 2008**

government, public safety, public works, economic development, culture, recreation, health and welfare. The Police Jury has no business-type activities such as water or sewer services.

The government-wide financial statements can be found on pages 11-13 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Police Jury can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Police Jury maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, roads and bridges fund and the solid waste fund, all of which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Police Jury adopts an annual budget for its general fund and major special revenue funds. Budgetary comparison statements have been provided for the general, roads and bridges and solid waste funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 15-19 of this report.

Fiduciary funds. Fiduciary funds report resources that are held for other parties and that cannot be used to support the Police Jury's programs. Reporting for these types of funds is based on the flow of economic resources measurement focus and the accrual basis of accounting. The Police Jury maintains one type of fiduciary fund – agency funds. Agency funds are created to account for resources held on a

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENTS' DISCUSSION & ANALYSIS
DECEMBER 31, 2008**

temporary, purely custodial basis until such time, as determined by legal contract or circumstances, they are returned to their owner(s).

The fiduciary fund statement can be found on page 20 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are indexed on page 22 and begin immediately after.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Police Jury's budgetary comparison schedules for its major governmental funds. The required supplementary information can be found immediately following the notes.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgetary comparison schedules.

Government-wide Financial Analysis

The following is a summary of the East Feliciana Parish Police Jury's net assets:

**SUMMARY OF NET ASSETS
Governmental Activities**

	<u>2008</u>	<u>2007</u>
Assets:		
Current and other assets	\$ 7,598,827	\$ 5,887,783
Capital assets, net	<u>4,525,468</u>	<u>4,170,513</u>
 Total Assets	 12,124,295	 10,058,296
Liabilities:		
Other liabilities	5,007,792	2,310,956
Long-term liabilities	<u>171,795</u>	<u>197,636</u>
 Total Liabilities	 <u>5,179,587</u>	 <u>2,508,592</u>

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENTS' DISCUSSION & ANALYSIS
DECEMBER 31, 2008**

Net Assets:

Investment in capital assets, net of related debt	4,525,468	4,170,513
Restricted	2,700,273	3,975,019
Unrestricted	<u>(281,033)</u>	<u>(595,828)</u>
 Total Net Assets	 <u>6,944,708</u>	 <u>7,549,704</u>

The largest portion of the Police Jury's net assets (66%) reflects its investment in capital assets (e.g. land, buildings, improvements, streets and bridges, equipment, vehicles and furniture), less any related debt used to acquire or construct those assets that are still outstanding. The Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Police Jury's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Police Jury's net assets (39%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net assets, if any, may be used to meet the government's on-going obligations to citizens and creditors.

The following is a summary of the East Feliciana Parish Police Jury's changes in net assets:

**SUMMARY OF CHANGES IN NET ASSETS
Governmental Activities**

	<u>2008</u>	<u>2007</u>
Revenues:		
Charges for services	\$ 212,616	\$ 331,958
Operating grants and contributions	2,492,030	1,294,176
Capital grants and contributions	243,750	-0-
General revenues	<u>4,647,728</u>	<u>4,132,331</u>
 Total Revenues	 7,596,124	 5,758,465
Expenses:		
General government	910,874	838,164
Culture and recreation	7,290	10,001
Economic development	3,500	17,779
Health and welfare	253,694	231,568
Public safety	1,097,844	1,234,880

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENTS' DISCUSSION & ANALYSIS
DECEMBER 31, 2008**

Public works	5,674,174	4,415,581
Interest	<u>4,084</u>	<u>4,753</u>
Total Expenses	<u>7,951,460</u>	<u>6,752,726</u>
Change in Net Assets	(355,336)	(994,261)
Net Assets, beginning of year	7,549,704	8,543,965
Prior period adjustments – transfer of E911 assets	<u>(249,660)</u>	<u>-0-</u>
Net Assets, end of year	<u>6,944,708</u>	<u>7,549,704</u>

Governmental Funds Budgetary Highlights

General fund revenues realized were \$284,427 greater than the amount budgeted. Expenditures were \$128,763 less than expenditures budgeted. This provided for a positive variance overall of \$413,191.

Roads & Bridges Fund received \$119,765 less than anticipated but expended \$92,156 less than was budgeted.

The Solid Waste Fund, due to FEMA proceeds expected to assist with Hurricane Gustav clean-up, reported \$2,219,550 more in revenues than budgeted. Expenditures, in turn, were \$2,605,411 more than expected.

Capital Asset and Debt Administration

Capital Assets. The Police Jury's investment in capital assets for its governmental activities as of December 31, 2008, amounts to \$4,525,468 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, improvements, streets and bridges, equipment vehicles and furniture.

Major capital asset events during the current fiscal year included the following:

- New vehicles purchased at a cost of \$15,889;
- Continued renovations to the Courthouse in the amount of \$210,724;
- Infrastructure costing \$268,493; and
- Equipment for the construction and maintenance of the parish's infrastructure totaling \$94,730.

Other events during the current year included the transfer of the E911 assets to the newly-formed East Feliciana Parish Emergency Communications Commission.

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENTS' DISCUSSION & ANALYSIS
DECEMBER 31, 2008**

Capital assets as of December 31, 2008 and 2007, are detailed in the following table.

CAPITAL ASSETS		
Net of Accumulated Depreciation		
Governmental Activities		
	<u>2008</u>	<u>2007</u>
Land	\$ 259,230	\$ 259,230
Buildings/improvements	2,741,660	2,682,880
Equipment/furniture	1,101,301	1,055,912
Streets/bridges	<u>423,277</u>	<u>172,491</u>
Total	<u>4,525,468</u>	<u>4,170,513</u>

Long-term debt. At the end of the current fiscal year, the Police Jury had total bonded debt outstanding of \$86,230. There was also a non-interest bearing note totaling \$63,185. Additional information such as principal and interest payments remaining can be found in the notes to the financial statements of this report.

Request for Information

This financial report is designed to provide a general overview of the East Feliciana Parish Police Jury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ms. Judith Kelly, East Feliciana Parish Police Jury, P. O. Box 427, Clinton, Louisiana 70722, (225) 683-3100.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008**

<u>ASSETS</u>	Governmental <u>Activities</u>
Cash and cash equivalents	\$ 1,725,435.42
Investments	600,000.00
Receivables, net	818,865.54
Due from other funds	2,190,240.81
Due from other governmental agencies	2,206,070.55
Restricted assets:	
Cash and cash equivalents	58,214.90
Capital assets, net	<u>4,525,467.85</u>
Total Assets	12,124,295.07
 <u>LIABILITIES</u>	
Accounts payable	2,792,679.29
Due to other funds	2,190,240.81
Due to other governmental agencies	24,871.63
Compensated absences	22,380.00
Notes payable	63,185.44
Bonds payable	<u>86,229.54</u>
Total Liabilities	<u>5,179,586.71</u>
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	4,525,467.85
Restricted for:	
Capital projects	11,738.36
Health unit operations/maintenance	1,041,873.96
Road maintenance/construction	(1,288,653.15)
Solid waste management	2,935,313.66
Unrestricted	<u>(281,032.32)</u>
Total Net Assets	<u><u>6,944,708.36</u></u>

See Accompanying Notes and Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2008**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net Revenues(Expenses)</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities					
General government	\$ 910,873.73	\$ 158,089.84	\$ -	\$ 32,800.00	\$ (719,983.89)
Culture and recreation	7,290.06	-	-	-	(7,290.06)
Economic development	3,500.00	-	-	-	(3,500.00)
Health and welfare	253,694.22	-	-	-	(253,694.22)
Public safety	1,097,844.32	54,525.75	45,757.88	-	(997,560.69)
Public works	5,674,174.01	-	2,446,272.19	210,950.00	(3,016,951.82)
Interest on long-term debt	4,082.36	-	-	-	(4,082.36)
Total Governmental Activities/Primary Government	7,951,458.70	212,615.59	2,492,030.07	243,750.00	(5,003,063.04)

General Revenues and Transfers	
Intergovernmental revenues	158,310.52
Taxes:	
Ad valorem	549,890.28
Severance	138,914.68
Sales	3,064,048.14
Franchise fees	3,171.36
Insurance rebates	77,529.33
Licenses and permits	337,526.53

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
STATEMENT OF ACTIVITIES (Continued)
YEAR ENDED DECEMBER 31, 2008**

	Net Revenues(Expenses)
	Governmental Activities
Fines and forfeitures	\$ 170,817.03
Interest earned	47,073.85
Other revenues	100,446.06
	<u>4,647,727.78</u>
Total General Revenues and Transfers	
Change in Net Assets	(355,335.26)
Net Assets, beginning	7,549,704.00
Prior period adjustments - transfer of assets	<u>(249,660.38)</u>
Net Assets, ending	<u><u>6,944,708.36</u></u>

See Accompanying Notes and Auditors' Report

FUND FINANCIAL STATEMENTS

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008**

	<u>General</u>	<u>Roads & Bridges</u>	<u>Solid Waste</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 210,850.28	\$ 193,907.16	\$ 1,183,728.22	\$ 136,949.76	\$ 1,725,435.42
Investments	-	-	600,000.00	-	600,000.00
Receivables, net:					
Accounts	3,392.99	-	-	10,092.50	13,485.49
Taxes	313,076.23	97,184.00	101,282.82	293,837.00	805,380.05
Due from other funds	704,913.71	-	1,475,000.00	10,327.10	2,190,240.81
Due from other govt agencies	7,637.36	20,654.00	2,177,779.19	-	2,206,070.55
Restricted assets:					
Cash and cash equivalents	58,214.90	-	-	-	58,214.90
TOTAL ASSETS	1,298,085.47	311,745.16	5,537,790.23	451,206.36	7,598,827.22
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	111,125.00	14,562.61	2,663,562.93	3,428.75	2,792,679.29
Due to other funds	10,327.10	2,087,159.84	13,034.64	79,719.23	2,190,240.81
Due to other govt agencies	15,247.00	-	-	9,624.63	24,871.63
Total Liabilities	136,699.10	2,101,722.45	2,676,597.57	92,772.61	5,007,791.73
Fund Balances (Deficit):					
Reserved for:					
Capital projects	11,738.36	-	-	-	11,738.36
Health unit oper/maintenance	-	-	-	398,223.96	398,223.96
Road maint/construction	-	(1,789,977.29)	-	-	(1,789,977.29)
Solid waste management	-	-	2,861,192.66	-	2,861,192.66
Unreserved, designated for:					
Debt service	6,535.54	-	-	-	6,535.54
Insurance	80,294.65	-	-	-	80,294.65
Coroner/court operations	-	-	-	(39,790.21)	(39,790.21)
Claims and judgements	53,442.51	-	-	-	53,442.51
Unreserved, undesignated	1,009,375.31	-	-	-	1,009,375.31
Total Fund Balances (Deficit)	1,161,386.37	(1,789,977.29)	2,861,192.66	358,433.75	2,591,035.49
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	1,298,085.47	311,745.16	5,537,790.23	451,206.36	7,598,827.22

See Accompanying Notes and Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2008**

Total Fund Balances - Total Governmental Funds	\$ 2,591,035.49
--	-----------------

Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet. This is the capital assets, net of accumulated depreciation, reported on the Statement of Net Assets.	4,525,467.85
--	--------------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet. This is the long-term liabilities reported on the Statement of Net Assets:

Compensated absences payable	(22,380.00)
Notes payable	(63,185.44)
Bonds payable	<u>(86,229.54)</u>

Total Net Assets - Governmental Activities	<u><u>6,944,708.36</u></u>
--	----------------------------

See Accompanying Notes and Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2008**

	<u>General</u>	<u>Roads & Bridges</u>	<u>Solid Waste</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>					
Intergovernmental	\$ 139,502.07	\$ -	\$ -	\$ 18,808.45	\$ 158,310.52
Taxes:					
Ad valorem	256,053.77	-	-	293,836.51	549,890.28
Severance	138,914.68	-	-	-	138,914.68
Sales	441,567.29	1,284,388.05	1,338,092.80	-	3,064,048.14
Franchise fees	3,171.36	-	-	-	3,171.36
Insurance rebates	77,529.33	-	-	-	77,529.33
Licenses and permits	334,626.53	2,900.00	-	-	337,526.53
Charges for services	95,537.94	-	-	-	95,537.94
Fine and forfeitures	-	-	-	170,817.03	170,817.03
Rents and other fees	117,077.65	-	-	-	117,077.65
Grants and other contributions	289,507.88	268,493.00	2,177,779.19	-	2,735,780.07
Interest earned	13,942.42	2,364.90	28,678.17	2,088.36	47,073.85
Other revenues	72,856.55	27,589.51	-	-	100,446.06
Total Revenues	1,980,287.47	1,585,735.46	3,544,550.16	485,550.35	7,596,123.44
<u>EXPENDITURES</u>					
General government	876,500.73	-	-	-	876,500.73
Culture and recreation	3,973.06	-	-	-	3,973.06
Economic development	3,500.00	-	-	-	3,500.00
Health and welfare	95,535.32	-	-	138,217.90	233,753.22
Public safety	764,207.20	-	-	209,029.12	973,236.32
Public works	-	1,342,621.20	4,278,910.81	-	5,621,532.01
Debt service:					
Principal	25,841.44	-	-	-	25,841.44
Interest	4,082.36	-	-	-	4,082.36
Capital outlay	226,612.71	363,223.14	-	-	589,835.85
Total Expenditures	2,000,252.82	1,705,844.34	4,278,910.81	347,247.02	8,332,254.99
Excess (Deficiency) of Revenues over Expenditures	(19,965.35)	(120,108.88)	(734,360.65)	138,303.33	(736,131.55)

Continued

EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2008

	<u>General</u>	<u>Roads & Bridges</u>	<u>Solid Waste</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers, net	\$ 30,000.00	\$ -	\$ -	\$ (30,000.00)	\$ -
Total Other Financing Sources (Uses)	30,000.00	-	-	(30,000.00)	-
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	10,034.65	(120,108.88)	(734,360.65)	108,303.33	(736,131.55)
Fund Balances (Deficit), beginning	1,151,351.72	(1,669,868.41)	3,595,553.31	250,130.42	3,327,167.04
Fund Balances (Deficit), ending	1,161,386.37	(1,789,977.29)	2,861,192.66	358,433.75	2,591,035.49

See Accompanying Notes and Auditors' Report

EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2008

Change in Fund Balances - Total Governmental Funds \$ (736,131.55)

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation expense. This is the amount by which capital outlay
exceeded depreciation charged in the current period. 364,633.85

Assets of the E911 System were transferred to the East Feliciana
Parish Emergency Communications Commission at 1/1/08. This is
the net value of assets transferred to that Commission. -

Governmental funds do not recognize the gain or loss on the disposition
of capital assets. This is the cost of assets sold during the year. (9,679.00)

Governmental funds do not recognize the change in long-term
debt. Instead, these funds recognize both principal and interest
as current year expenditures. Additionally, the receipt of loan or
bond proceeds are recorded as revenue in governmental funds.

Change in compensated absences -
Principal payments 25,841.44

Change in Net Assets - Governmental Activities (355,335.26)

**EAST FELICIANA PARISH POLICY JURY
CLINTON, LOUISIANA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2008**

	<u>Library</u> <u>Tax</u>	<u>Sales</u> <u>Tax</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 123.31	\$ 173.57	\$ 296.88
Receivables, net:			
Taxes	246,274.81	202,565.62	448,840.43
TOTAL ASSETS	246,398.12	202,739.19	449,137.31
<u>LIABILITIES AND NET ASSETS</u>			
Liabilities:			
Due to other governmental agencies	246,398.12	202,739.19	449,137.31
Net Assets:			
Restricted	-	-	-
TOTAL LIABILITIES AND NET ASSETS	246,398.12	202,739.19	449,137.31

See Accompanying Notes and Auditors' Report

NOTES TO THE FINANCIAL STATEMENTS

**EAST FELICIANA PARISH POLICE JURY
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

<u>Note No.</u>	<u>Description</u>	<u>Page No.</u>
	Introduction.....	23
1	Summary of Significant Accounting Policies.....	23
2	Cash and Cash Equivalents.....	30
3	Investments	30
4	Receivables	31
5	Capital Assets.....	31
6	Retirement System.....	32
7	Accounts and Other Payables	33
8	Compensated Absences	33
9	Other Post-Employment Benefits	33
10	Long-Term Debt	33
11	Inter-fund Transactions.....	35
12	Fund Deficits.....	35
13	Related Party Transactions	35
14	Litigation.....	36
15	Subsequent Events	36

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

INTRODUCTION

The East Feliciana Parish Police Jury is the governing authority for East Feliciana Parish and is a political subdivision of the State of Louisiana. Nine jury members, representing the individual districts within the parish, govern the Police Jury. They serve four-year terms and are paid for their services.

Louisiana R.S. 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the power to make regulations for its own governments; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish. Funding is provided primarily (48%) by ad valorem and sales taxes.

The area of East Feliciana Parish includes 455 square miles wherein 288 miles of roads are maintained. The population is 21,360 persons, and the Police Jury employs 55 persons.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practice of the Police Jury conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of La. Revised Statute 24:513 and to the guidelines set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity: Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, establishes criteria for determining the reporting entity and its component units. Under provisions of this statement, the Police Jury is considered a primary government, since it is a special purpose government that has a separately-elected governing body, is legally separate and is fiscally independent of other state or local governments. This report includes the financial position and activity of the primary government only. It does not include all funds that are controlled by or dependent on the Police Jury's executive or legislative branches (Parish Manager and/or Police Jury). Control by or dependence on the Police Jury was determined on the basis of oversight responsibility, including accountability for fiscal and budgetary matters, designation of management or governing authority and authority to issue debt.

Component units of the Police Jury for which financial statements are issued separately from the Police Jury include the (1) Audubon Regional Library (2) Water District No. 1; (3) Gas Utility Districts No. 1 and 2; (4) East Feliciana Council on Aging; (5) East Feliciana Parish Sheriff; (6) East Feliciana Parish Clerk of Court; (7) East Feliciana Tax Assessor; (8) 20th Judicial District Attorney; (9) Industrial Development Board; (10) East Feliciana Parish Fire Protection District and (11) East Feliciana Parish Emergency Communications Commission.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Government-wide Accounting: In accordance with Government Accounting Standards Board Statement No. 34, the Police Jury has presented a Statement of Net Assets and Statement of Activities for the Police Jury as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental and business-type activities.

Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

Policies specific to the government-wide statements are as follows:

Eliminating Internal Activity

Interfund receivables and payables are eliminated in the Statement of Net Assets except for the net residual amounts due between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the Statement of Activities. Allocated expenses are reported by the function to which they were allocated.

Application of FASB Statements and Interpretations

Reporting on governmental-type and business-type activities is based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as roads and bridges are also capitalized. Capital assets are recorded at their historical cost or estimated cost where historical cost is unavailable and are depreciated using the straight-line or modified accelerated recovery cost system methods of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Assets.

Using the requirements of GASB Statement No. 34, the Police Jury is considered a Phase 3 government as total annual revenues is less than \$10 million. Such governments are not required to report major general infrastructure assets retroactively. The Police Jury opted not to retroactively report these types of capital assets.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Program Revenues

The Statement of Activities presents three categories of program revenues – (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the Police Jury. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are reserved for a specific use.

Indirect Expenses

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Police Jury has chosen not to do so.

Operating Revenues

Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of the Police Jury's operation of the utilities are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

Reserved Net Assets

Reserved net assets are those for which a constraint has been imposed either externally or by law. The Police Jury recognized the use of reserved resources for expenditures that comply with the specific restrictions. Reserved resources are exhausted before unreserved net assets are used.

Fund Accounting: The Police Jury uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the Police Jury are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds: Governmental funds account for all or most of the Police Jury's general activities, including the collection and disbursement of specific or legally reserved monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund - is the general operating fund of the Police Jury which accounts for all financial resources except those required to be accounted for in other funds; and
2. Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Fiduciary Funds: Fiduciary funds account for resources held in trust for other parties. As such, the Police Jury has no equity in these funds. They utilize the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds of the Police Jury include:

1. Agency Funds – accounts for assets that do not belong to the Police Jury and cannot be used to finance the Police Jury's own operating programs.

Basis of Accounting/Measurement Focus: The type of financial statement presentation determines the accounting and financial reporting treatment applied to a fund.

The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental activities are included in the Statement of Net Assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in each fund.

All governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated.

Budgets and Budgetary Accounting: Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund and all special revenue funds with the exception of the criminal court fund. It is exempt from the requirements of the Local Government Budget Act.

The Police Jury uses the following budget practices:

The finance committee prepares a proposed budget for the ensuing year and submits it to the Police Jury. The availability of the proposed budget for public inspection and the date of the public hearing are then advertised in the official journal which can be no later than December 15th.

During a regular meeting, the Police Jury holds a public hearing on the proposed budget in order to receive comments from taxpayers. Changes are made based on the public hearing, if necessary, and the desires of the Police Jury as a whole. The budget is then adopted during a regular meeting, and notice is published in the official journal.

Budgetary amendments during the year are adopted by the Police Jury during its regular meetings. The amendments are included in the minutes that are published in the official journal.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

The Police Jury exercises budgetary control at the functional level. Within functions, it has the authority to make amendments when needed. Budgeted amounts shown are as originally adopted and as amended.

All budgetary appropriations lapse at year-end. Unexpected appropriations must be re-appropriated in the next year's budget to be expended.

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest bearing demand deposits, money market accounts and certificates of deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under State law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statement of cash flows, the Police Jury considers all investments with maturities of less than 90 days to be cash and cash equivalents.

Investments: Investments are limited by Louisiana R.S. 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings.

Receivables: Receivables are recorded net of any allowance for uncollectible amounts in governmental activities. Revenues become susceptible to accrual when they become both measurable and available.

Taxes: *Property Taxes* - Property taxes are levied on a calendar year basis. They are due by December 31st and are considered delinquent on January 1st of each year. The following is a summary of authorized and levied ad valorem taxes for the parish as a whole:

	<u>Authorized</u>	<u>Levied</u>
<i>General Fund</i>		
Town of Jackson	1.38	1.38
All Others	2.77	2.77
<i>Special Revenue Funds</i>		
Health Unit	3.00	3.00
<i>Agency Funds</i>		
Library	2.50	2.50

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Listed below are the principal taxpayers for the parish.

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Value</u>	<u>%age of Total Assessed Value</u>	<u>Anticipated Revenues</u>
Colonial Pipeline	Oil/gas	\$ 9,814,210	1.07%	\$ 446,648
Bengal Pipeline Co.	Oil/gas	8,603,350	.93%	391,625
Transcontinental Gas	Oil/gas	7,906,680	.86%	359,912
GATX Financial Group	Leases	7,414,270	.81%	337,498

Sales Taxes - The Police Jury receives the following sales taxes approved by the voters of the parish: (1) 1% designated for roads and bridges; (2) 1% designated for solid waste management; and (3) 1% split between the general and roads & bridges funds. There is an agreement with the East Feliciana Parish School Board to collect the sales taxes of the parish for a stipulated fee. The School Board remits the Police Jury's portion on a monthly basis.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted Assets: Certain proceeds are classified as restricted assets on the statement of net assets because their use is limited. Components of restricted assets for governmental activities are as follows:

General Fund

Cash and cash equivalents	<u>\$ 58,214.90</u>
---------------------------	---------------------

Capital Assets: The Police Jury's assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are valued at their estimated fair value on the date of donation. Capitalization thresholds are defined as assets with a cost of \$2,500 or more per unit.

Depreciation is recorded using the straight-line method or the modified accelerated recovery cost system over the estimated useful lives of the assets as follows:

Buildings	40 years	Vehicles	5 years
Equipment	5-10 years	Infrastructure	40-50 years
Furniture/Computers	7 years		

In June 1999, the Governmental Accounting Standards Board issued Statement No. 34, which requires the inclusion of infrastructure assets, used in governmental activities in the general purpose financial statements retroactively reported back to 1982. An exception exists for local governments with annual revenues of less than \$10 million. As a result of this exception, the Police Jury has elected to not report its governmental infrastructure retroactively. From this point forward, the Police Jury will use the basic approach to infrastructure reporting for its governmental activities when applicable.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Compensated Absences: The Police Jury allows annual leave to its regular full-time employees based on length of service (1 week after 1 year of service; 2 weeks after 2 years; 3 weeks after 5 years and 4 weeks after 10 years). This benefit changes slightly for hourly employees (1 week after 1 year of service; 2 weeks after 3 years; 3 weeks after 6 years and 4 weeks after 12 years). No leave is earned, however, while on suspension or leave without pay status. Annual leave may be carried over to the next calendar year. Employees are not paid for their unused annual leave at year-end, but are paid for accumulated, unused leave upon termination.

Long-Term Obligations: In the government-wide financial statements, debt principal payments of governmental activities are reported as decreases in the balance of the liability on the statement of net assets. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

Net Assets/Fund Balances: In the statement of net assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets are as follows:

Invested in Capital Assets, Net of Related Debt

This category records capital assets net of accumulated depreciation and is reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Assets

Net assets reserved by external sources such as banks or by law are reported separately as restricted net assets. When assets are required to be retained in perpetuity, these non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

Unrestricted Net Assets

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the balance sheet of governmental funds, fund balances are segregated as follows:

Reserved

These resources are segregated because their use is earmarked for a specific use.

Unreserved

This category represents that portion of equity not appropriable for expenditures or legally segregated for a specific future use.

Interfund Transactions: All interfund transactions except quasi-external transactions, are reported as operating transfers. These are eliminated in the government-wide statements.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 2 - CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

La. Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3.

The cash and cash equivalents on hand at December 31, 2008, are as follows:

Demand deposits	\$ 16,473.25
Interest-bearing demand deposits	<u>1,767,177.07</u>
Total	<u>1,783,650.32</u>

Of these amounts, \$58,214.90 is restricted for capital projects. The Police Jury does not have any cash and cash equivalents exposed to custodial credit risk.

NOTE 3 - INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the municipality or its agent in the municipality's name;
2. Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the municipality's name; or
3. Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in the municipality's name.

All investments of the Police Jury are long-term certificates of deposit and fall within category 1. Cost and market value at December 31, 2008, was \$600,000.

EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 4 - RECEIVABLES

The net receivables, with the exception of interfund and intergovernmental transactions, of \$818,865.54 as of December 31, 2008, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Accounts	\$ 3,392.99	\$ 10,092.50	\$ 13,485.49
Taxes	313,076.23	492,303.82	805,380.05
 Total	 <u>316,469.22</u>	 <u>502,396.32</u>	 <u>818,865.54</u>

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets, not being depreciated				
Land	\$ 259,230.00	\$.00	\$.00	\$ 259,230.00
Capital Assets, being depreciated				
Buildings	5,966,604.00	210,723.71	.00	6,177,327.71
Less: accumulated depreciation	<u>3,283,724.00</u>	<u>151,944.00</u>	<u>.00</u>	<u>3,435,668.00</u>
Net Buildings	2,682,880.00	58,779.71	.00	2,741,659.71
Equipment/Furniture	3,218,808.00	110,619.14	15,697.00	3,313,730.14
Less: accumulated depreciation	<u>2,162,896.00</u>	<u>55,551.00</u>	<u>6,018.00</u>	<u>2,212,429.00</u>
Net Equipment	1,055,912.00	109,716.43	(9,679.00)	1,101,301.14
Streets/Bridges	271,666.00	268,493.00	.00	540,159.00
Less: accumulated depreciation	<u>99,175.00</u>	<u>17,707.00</u>	<u>.00</u>	<u>116,882.00</u>
Net Furniture and Fixtures	172,491.00	250,786.00	.00	423,277.00
Capital Assets, being depreciated, net	<u>3,911,283.00</u>	<u>364,633.85</u>	<u>(9,679.00)</u>	<u>4,266,237.85</u>
Capital Assets, net	<u>4,170,513.00</u>	<u>364,633.85</u>	<u>(9,679.00)</u>	<u>4,525,467.85</u>

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Depreciation expense was charged to governmental functions as follows:

General government	\$ 34,373.00
Culture and recreation	3,317.00
Health and welfare	19,941.00
Public safety	124,608.00
Public works	<u>42,963.00</u>
 Total	 <u>225,202.00</u>

NOTE 6 – RETIREMENT SYSTEM

Substantially all employees of the Police Jury are members of the Parochial Employees Retirement System of Louisiana, a multiple-employer, public employee retirement system (PERS) controlled and administered by a separate board of trustees. All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate. Contributions of participating agencies are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

The System is composed of two distinct plans – Plan A and Plan B – with separate assets and benefit provisions. All participants of the Police Jury are members of Plan A. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 25 years of creditable service are entitled to retirement benefits, payable monthly for life, equal to 3% of their final average salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service but less than 30 years may take early retirement benefits commencing at or after age 60, with the benefit reduced 3% for each year retirement precedes age 60. In any case, monthly retirement benefits paid under Plan A cannot exceed the lesser of 100% of final-average salary or \$70 multiplied by total years of creditable service.

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. The same statute establishes these benefits.

Funding Policy: Contributions to the system include ¼ of 1% of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge. These tax dollars are divided between Plans A and B, based proportionately on the salaries of the active members of each plan. State statutes require covered employees to contribute a percentage of their salaries to the system. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Plan members are required to contribute 9.75% of their annual covered salary and the Police Jury is required to contribute 13.25% of annual covered payroll. The Police Jury's contributions to the System for the years ending December 31, 2008, 2007 and 2006, were \$123,975, \$134,501 and \$124,257, respectively, equal to the required contributions for each year. Under present statutes, the Police Jury does not guarantee the benefits granted by the system.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, Louisiana 70898.

NOTE 7 - ACCOUNTS AND OTHER PAYABLES

The payables, with the exception of interfund and intergovernmental transactions, of \$2,792,679.29 at December 31, 2008, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Accounts	\$ 111,125.00	\$ 2,681,554.29	\$ 2,792,679.29

NOTE 8 - COMPENSATED ABSENCES

Computed in accordance with GASB Codification Section C60, employees of the Police Jury had accumulated and vested \$22,380 of employee leave benefits at December 31, 2008. Governmental activities record these benefits in the statement of net assets. This amount is not included in the fund financial statements for the general fund.

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS

The Police Jury does not offer any post-employment benefits to its employees upon retirement.

NOTE 10 - LONG-TERM DEBT

The following is a summary of long-term debt incurred as of December 31, 2008:

	<u>Beginning</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u>
Governmental Activities:				
Revenue bonds	\$ 103,044.46	\$.00	\$ 16,814.92	\$ 86,229.54
Notes	72,211.96	.00	9,026.52	63,185.44
Compensated absences	22,380.00	17,166.00	17,166.00	22,380.00
Total	<u>197,636.42</u>	<u>17,166.00</u>	<u>43,007.44</u>	<u>171,794.98</u>

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Bonds currently outstanding by governmental activities are as follows:

\$170,000 Revenue Bonds, Series 2004 dated 2/5/04
Due in monthly installments of \$1,741.44 through 2/5/14
Interest payable at 4.25% \$ 86,229.54

Repayment on this debt is as follows:

<u>Due Date</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 17,115.48	\$ 3,782.00
2010	17,856.48	3,041.00
2011	18,630.48	2,267.00
2012	19,440.48	1,457.00
2013	11,451.32	3,996.86
2014	<u>1,735.30</u>	<u>6.14</u>
Total	<u>86,229.54</u>	<u>14,550.00</u>

Notes executed by the General Fund include the following:

\$90,265 Defaulted grant dated 1/1/06
Due in monthly installments of \$752.21 over 10 years
Non-interest bearing \$ 63,185.44

Repayment on this debt is as follows:

<u>Due Date</u>	<u>Principal</u>
2009	\$ 9,026.52
2010	9,026.52
2011	9,026.52
2012	9,026.52
2013	9,026.52
Remaining years	<u>18,052.84</u>
Total	<u>63,185.44</u>

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 11 – INTER-FUND TRANSATIONS

Amounts due to/from other funds within the Police Jury at December 31, 2008, are as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 704,913.71	\$ 10,327.10
Special Revenue Funds:		
Roads & Bridges	.00	2,087,159.84
Solid Waste	1,475,000.00	13,034.64
Coroner	.00	623.03
Criminal Court	10,327.10	74,360.32
Health Unit	<u>.00</u>	<u>4,735.88</u>
Total	<u>2,190,240.81</u>	<u>2,190,240.81</u>

Transfers between funds during the year were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 30,000.00	\$.00
Special Revenue Funds:		
Health Unit	<u>.00</u>	<u>30,000.00</u>
Total	<u>30,000.00</u>	<u>30,000.00</u>

NOTE 12 – FUND DEFICITS

The following funds have net deficits as of December 31, 2008:

<u>Fund</u>	<u>Net Deficit</u>
Roads & Bridges	\$ 1,789,977.29
Criminal Court	57,642.81

Management is currently reviewing the expenses that it is required to pay from the Criminal Court Fund versus the General Fund in an effort to alleviate this net deficit position. It is seeking relief from grant and other type contributions to fund maintenance/construction as a result of recent disasters.

NOTE 13 - RELATED PARTY TRANSACTIONS

There were no related party transactions that would require disclosure in the accompanying financial statements.

**EAST FELICIANA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 14 - LITIGATION

The Police Jury is a defendant in several pending lawsuits filed in the 20th Judicial District Court that are being handled by the Policy Jury's insurance carrier. While the outcome of these cases cannot be determined at this time, the Police Jury denies any liability and is actively defending its position. It is anticipated that there will not be any liability associated with this suits that might have an adverse effect on the Police Jury's financial position.

NOTE 15 - SUBSEQUENT EVENTS

There were no subsequent events that would have a significant impact on these financial statements.

REQUIRED SUPPLEMENTAL INFORMATION
(PART 2 OF 2)

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ 35,000.00	\$ 35,000.00	\$ 139,502.07	\$ 104,502.07
Taxes	700,000.00	839,000.00	836,535.74	(2,464.26)
Franchise fees	3,000.00	3,000.00	3,171.36	171.36
Insurance rebates	77,000.00	77,000.00	77,529.33	529.33
Licenses and permits	356,600.00	356,600.00	334,626.53	(21,973.47)
Charges for services	27,250.00	19,750.00	95,537.94	75,787.94
Rents and other fees	50,000.00	-	117,077.65	117,077.65
Grants and other contributions	282,000.00	282,000.00	289,507.88	7,507.88
Interest earned	33,510.00	33,510.00	13,942.42	(19,567.58)
Other revenues	50,000.00	50,000.00	72,856.55	22,856.55
Total Revenues	1,614,360.00	1,695,860.00	1,980,287.47	284,427.47
<u>EXPENDITURES</u>				
General government	742,350.00	750,350.00	876,500.73	(126,150.73)
Culture and recreation	700.00	3,700.00	3,973.06	(273.06)
Economic development	20,000.00	23,000.00	3,500.00	19,500.00
Health and welfare	70,000.00	330,866.00	95,535.32	235,330.68
Public safety	831,900.00	948,100.00	764,207.20	183,892.80
Debt service	-	-	29,923.80	(29,923.80)
Capital outlay	-	73,000.00	226,612.71	(153,612.71)
Total Expenditures	1,664,950.00	2,129,016.00	2,000,252.82	128,763.18
Excess of Revenues over Expenditures	(50,590.00)	(433,156.00)	(19,965.35)	413,190.65
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers, net	-	30,000.00	30,000.00	-
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(50,590.00)	(403,156.00)	10,034.65	413,190.65
Fund Balances, beginning	1,151,351.72	1,151,351.72	1,151,351.72	-
Fund Balances, ending	1,100,761.72	748,195.72	1,161,386.37	413,190.65

See Accompanying Notes and Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
ROADS & BRIDGES FUND
YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,583,800.00	\$ 1,553,800.00	\$ 1,284,388.05	\$ (269,411.95)
Licenses and permits	-	-	2,900.00	2,900.00
Grants and other contributions	-	141,000.00	268,493.00	127,493.00
Interest earned	6,200.00	10,700.00	2,364.90	(8,335.10)
Other revenues	-	-	27,589.51	27,589.51
Total Revenues	1,590,000.00	1,705,500.00	1,585,735.46	(119,764.54)
<u>EXPENDITURES</u>				
Public works	1,590,000.00	1,595,000.00	1,342,621.20	252,378.80
Capital outlay	-	203,000.00	363,223.14	(160,223.14)
Total Expenditures	1,590,000.00	1,798,000.00	1,705,844.34	92,155.66
Deficiency of Revenues over Expenditures	-	(92,500.00)	(120,108.88)	(27,608.88)
Fund Balances (Deficit), beginning	(1,669,868.41)	(1,669,868.41)	(1,669,868.41)	-
Fund Balances (Deficit), ending	(1,669,868.41)	(1,762,368.41)	(1,789,977.29)	(27,608.88)

See Accompanying Notes and Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
SOLID WASTE FUND
YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,200,000.00	\$ 1,300,000.00	\$ 1,338,092.80	\$ 38,092.80
Grants and other contributions	-	-	2,177,779.19	2,177,779.19
Interest earned	25,000.00	25,000.00	28,678.17	3,678.17
Total Revenues	1,225,000.00	1,325,000.00	3,544,550.16	2,219,550.16
<u>EXPENDITURES</u>				
Public works	1,673,500.00	1,673,500.00	4,278,910.81	(2,605,410.81)
Capital outlay	-	-	-	-
Total Expenditures	1,673,500.00	1,673,500.00	4,278,910.81	(2,605,410.81)
Deficiency of Revenues over Expenditures	(448,500.00)	(348,500.00)	(734,360.65)	(385,860.65)
Fund Balances, beginning	3,595,553.31	3,595,553.31	3,595,553.31	-
Fund Balances, ending	3,147,053.31	3,247,053.31	2,861,192.66	(385,860.65)

See Accompanying Notes and Auditors' Report

COMBINING AND INDIVIDUAL FUND STATEMENTS

EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008

	<u>Coroner</u>	<u>Criminal Court</u>	<u>Health Unit</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 18,161.97	\$ 494.83	\$ 118,292.96	\$ 136,949.76
Receivables, net:				
Accounts	580.00	9,512.50	-	10,092.50
Taxes	-	-	293,837.00	293,837.00
Due from other funds	-	10,327.10	-	10,327.10
	<hr/>			
TOTAL ASSETS	18,741.97	20,334.43	412,129.96	451,206.36
<hr/>				
<u>LIABILITIES AND FUND BALANCES (DEFICIT)</u>				
Liabilities:				
Accounts payable	266.34	1,641.76	1,520.65	3,428.75
Due to other funds	623.03	74,360.32	4,735.88	79,719.23
Due to other govt agencies	-	1,975.16	7,649.47	9,624.63
	<hr/>			
Total Liabilities	889.37	77,977.24	13,906.00	92,772.61
Fund Balances (Deficit):				
Reserved for health unit operations/maintenance	-	-	398,223.96	398,223.96
Unreserved, designated for:				
Coroner expenses	17,852.60	-	-	17,852.60
Court operations	-	(57,642.81)	-	(57,642.81)
	<hr/>			
Total Fund Balances (Deficit)	17,852.60	(57,642.81)	398,223.96	358,433.75
<hr/>				
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	18,741.97	20,334.43	412,129.96	451,206.36

See Accompanying Notes and Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2008**

	<u>Coroner</u>	<u>Criminal Court</u>	<u>Health Unit</u>	<u>Totals</u>
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ 4,964.45	\$ 13,844.00	\$ 18,808.45
Taxes:				
Ad valorem	-	-	293,836.51	293,836.51
Fines and forfeitures	8,220.00	162,597.03	-	170,817.03
Interest earned	247.19	74.61	1,766.56	2,088.36
	<hr/>			
Total Revenues	8,467.19	167,636.09	309,447.07	485,550.35
<u>EXPENDITURES</u>				
Health and welfare	-	-	138,217.90	138,217.90
Public safety	13,856.51	195,172.61	-	209,029.12
	<hr/>			
Total Expenditures	13,856.51	195,172.61	138,217.90	347,247.02
Excess (Deficiency) of Revenues over Expenditures	(5,389.32)	(27,536.52)	171,229.17	138,303.33
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers, net	-	-	(30,000.00)	(30,000.00)
	<hr/>			
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(5,389.32)	(27,536.52)	141,229.17	108,303.33
Fund Balances (Deficit), beginning	23,241.92	(30,106.29)	256,994.79	250,130.42
	<hr/>			
Fund Balances (Deficit), ending	17,852.60	(57,642.81)	398,223.96	358,433.75
	<hr/>			

See Accompanying Notes and Auditors' Report

SUPPLEMENTARY SCHEDULES AND INFORMATION

**EAST FELICIANA PARISH POLICY JURY
CLINTON, LOUISIANA
SCHEDULE OF CHANGES IN DEPOSITS AND OTHER PAYABLES
FIDUCIARY FUNDS
DECEMBER 31, 2008**

	<u>Library Tax</u>	<u>Sales Tax</u>	<u>Totals</u>
Deposits, beginning of year	\$ 256,886.24	\$ 212,549.26	\$ 469,435.50
Additions:			
Taxes	244,887.05	2,674,213.35	2,919,100.40
Interest earned	-	173.57	173.57
	<hr/>		
Total Additions	244,887.05	2,674,386.92	2,919,273.97
Reductions:			
Payments to agencies	246,227.12	2,684,196.99	2,930,424.11
Retirement/other fees	9,148.05	-	9,148.05
	<hr/>		
Total Reductions	255,375.17	2,684,196.99	2,939,572.16
	<hr/>		
Deposits, end of year	246,398.12	202,739.19	449,137.31
	<hr/>		

See Auditors' Report

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING MEMBERS
YEAR ENDED DECEMBER 31, 2008**

This schedule is presented in accordance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

<u>Name of Police Juror</u>	<u>Amount</u>
District 1-A Dennis Aucoin	\$ 10,403.00
District 1-B John M. Barnett	9,384.00
District 2 Edward Brooks, Sr.	10,428.00
District 3 Chris Ferguson	10,403.00
District 4 Richard C. Dudley (Vice President)	10,378.00
District 4-B E. S. "Buggs" Barnes	10,328.00
District 5 Larry Beauchamp	10,428.00
District 6 Karl "Bubba" Chaney	10,278.00
District 7 Louis Kent (President)	<u>11,003.00</u>
Total	<u>93,033.00</u>

MARY SUE STAGES, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

.....
3121 Van Buren Street, Suite A
P. O. Box 30
Baker, Louisiana 70704-0030
Phone (225) 775-4982 * Fax (225) 775-4912
mstages@butlercpa.brcoxmail.com

Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

**REPORT ON COMPLIANCE AND OTHER MATTERS AND
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Ms. Judith Kelly, Parish Manager
and the Members of the Police Jury
East Feliciana Parish Police Jury
P. O. Box 427
Clinton, Louisiana 70722

We have audited the financial statements of the governmental activities, each major fund and the remaining fund information of the East Feliciana Parish Police Jury, which collectively comprise the basic financial statements as listed in the table of contents, as of and for the year ended December 31, 2008, and have issued our report thereon dated July 28, 2009. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the East Feliciana Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance and other matters that is described in the accompanying schedule of findings and questioned costs as findings 2008-01 through 2008-03.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the East Feliciana Parish Police Jury's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on

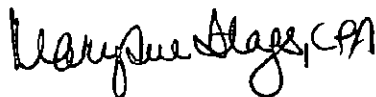
the effectiveness of the East Feliciana Parish Police Jury's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the East Feliciana Parish Police Jury's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the governmental agency's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement on the agency's financial statements that is more than inconsequential will not be prevented or detected by the agency's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the governmental agency's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the East Feliciana Parish Police Jury, the Legislative Auditor and others within the entity and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA,
A Professional Accounting Corporation
July 28, 2009

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
SCHEUDLE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2008**

We have audited the basic financial statements of the East Feliciana Parish Police Jury as of and for the year ended December 31, 2008, and have issued our report thereon dated July 28, 2009. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2008, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

A. Report on Compliance and Internal Control Material to the Financial Statements

Compliance/Other Matters	Material to Financial Statements	<input checked="" type="checkbox"/> Yes
Internal Control	Significant Deficiency(ies)	<input checked="" type="checkbox"/> No
	Material Weaknesses	<input checked="" type="checkbox"/> No

B. Federal Awards

N/A

C. Identification of Major Programs

N/A

Section II Financial Statement Findings

2008-01 Fund Deficits

Criteria. Public bodies should operate in such a manner as to alleviate operating results that result in deficit net assets.

Condition. The Roads & Bridges and Criminal Court Funds had a net deficit of \$1,789,977 and \$57,643, respectively, at December 31, 2008. This was also the case in the prior year.

Impact. The General Fund was required to utilize its assets to compensate thereby hindering its ability to provide services to citizens of the parish.

Recommendation. We recommend that this situation be studied and a formal plan adopted that would provide for a positive net asset balance within a specified time period.

Management's Response. Please refer to Management's Corrective Action Plan

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
SCHEUDLE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2008**

2008-02 Compliance with Budget Act

Criteria. Louisiana Revised Statute 39:1301-1316 requires that a budget be prepared for the general and all major special revenue funds. Actual results must be within 5% of budgeted amounts.

Condition. Revenues of the Roads & Bridges Fund fell short of its anticipated revenues by \$119,765 or 7%. Expenditures of the Solid Waste Fund were 156% or \$2,605,411 more than the budgeted amount.

Impact. The Police Jury is not in compliance with applicable laws.

Recommendation. We recommend that the budget be monitored closely and appropriate amendments be adopted throughout the year as actual events become apparent.

Management's Response. Please refer to Management's Corrective Action Plan.

2008-03 Compliance with Audit Law

Criteria. Louisiana Revised Statute 24:513 requires that an audited financial report be submitted to the Legislative Auditor no later than six months following the close of the entity's year-end or June 30th.

Condition. The annual report for the year ended December 31, 2008, was not submitted by June 30th.

Impact. The Police Jury is not in compliance with applicable laws.

Recommendation. We recommend that the annual report be executed in sufficient time for submission by June 30th of each year.

Management's Response. Please refer to Management's Corrective Action Plan.

Section III Federal Award Findings and Questioned Costs

N/A

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2008**

Section I Internal Control and Compliance Material to the Financial Statements

Fund Deficits	<i>Unresolved; See Finding 2008-01</i>
<i>Recommendation:</i> To forgive a portion of debt owed between funds; to work with judges and district attorney to reduce spending	

Section II Compliance and Internal Control Material to Federal Awards

None

Section III Management Letter

None

**EAST FELICIANA PARISH POLICE JURY
CLINTON, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2008**

Section I Compliance and Internal Control Material to the Financial Statements

<p>2008-01 Fund Deficits</p> <p><i>Recommendation:</i> To study and adopt formal plan to alleviate fund deficits within a specified time period</p> <p><i>Management's Response:</i> Management will seek the advice of its financial advisor to consider the appropriate plan of action</p>	<p><i>Person Responsible.</i> Judith Kelly</p> <p><i>Estimated Completion.</i> 12/31/10</p>
<p>2008-02 Compliance with Budget Act</p> <p><i>Recommendation:</i> To monitor budget throughout the year and amend as needed based on known information</p> <p><i>Management's Response:</i> Management will comply with this recommendation</p>	<p><i>Person Responsible.</i> Judith Kelly</p> <p><i>Estimated Completion.</i> 12/31/09</p>
<p>2008-03 Compliance with Audit Law</p> <p><i>Recommendation:</i> To submit the annual financial report no later than June 30th of each year</p> <p><i>Management's Response:</i> Management had engaged an independent CPA in sufficient time to submit timely but was later informed that he was not able to complete the engagement. A new auditor was engaged as quickly as possible but required additional time to effectively complete all fieldwork.</p>	<p><i>Person Responsible.</i> Judith Kelly</p> <p><i>Estimated Completion.</i> 12/31/09</p>

Section II Compliance and Internal Control Material to Federal Awards

N/A

Section III Management Letter

N/A